



# State of Utah

## DEPARTMENT OF COMMERCE Committee of Consumer Services

Minutes of the Meeting of the Committee of Consumer Services held in Room 210, 2<sup>nd</sup> floor, Heber M Wells Building, 160 East 300 South, Salt Lake City, Utah, on 13 June 2007

### Members of the Committee in Attendance:

Dee Jay Hammon  
Robert McMullin

Kelly Casaday  
Andrew Riggle

Betsy Wolf

### Staff in Attendance:

Michele Beck  
Reed Warnick  
Kevin Hale

Dan Gimble  
Ronnie Drake  
Eric Orton

Paul Proctor  
Chris Keyser

### Members of the Public in Attendance:

Barrie McKay

#### 1 Welcome and Business

Dee Jay called the meeting to order at 9:37 a.m. and welcomed all those in attendance. He excused Franz Amussen.

The date scheduled for the next Committee Meeting is 11 July 2007.

#### 2 Minutes

Robert McMullin made a motion to approve 13 February 2007, 11 April 2007, 9 May 2007 minutes. Kelly Casaday seconded the motion and it passed unanimously.

#### 3 Public Comment

No public comment made at this time.

Kelly Casaday motioned for the Committee to go into closed session. Robert McMullin seconded the motion and it passed unanimously.

#### 4 Closed Meeting: Pursuant to Utah Statute, Section 52-4-205 (1)(a); discussion of the character, professional competence, or physical or mental health of an individual

The Committee was in closed meeting for 14 minutes.

5 Update: Consultant Contracts

Michele discussed the Renewal/Renegotiate of two contracts.

Nancy Kelly's contract expires 30 June 2007 with the renewal option through 31 Dec 2008. Some of her assignments and oversight of her work needs to be clarified. Nancy's expertise is with Multi-State Process (MSP), Integrated Resource Plan (IRP), and Regional market and transmission issues. Nancy background is in economics and has solid consumer focus. Committee Staff recommends renewing her contract and renegotiating terms to ensure that contract implementation is handled correctly and reflects current assignments.

Tom Norris was originally subcontracted through Causey Engineering. This contract expires 14 June 2007. Tom Norris recently gave notice that he will be consulting within his own company. Tom Norris' expertise is with gas pipeline issues. He has provided valuable testimony for the Committee. The Committee Staff recommends a pursuing Sole Source contract with Tom Norris, his experience and specialization should justify this type of contract.

Betsy Wolf made a motion that concurred with the recommendations made by Committee staff to renew Nancy Kelly contract and to renegotiate the terms, and to pursue a new sole source contract with the ongoing work with Tom Norris. Kelly Casaday seconded the motion and it passed unanimously.

6 Update: Conservation Enabling Tariff (CET)

(1) Parties in the CET Case filed recommendations on 1 June 2007 with the Public Service Commission (PSC). (2) Dan Gimble discussed the parties' recommendations. The next step in the CET case is a technical conference 10 July 2007, then rebuttal testimony will be filed in August, and hearings are scheduled for September 2007.

7 Update: Blundell

Reed Warnick discussed the background, settlement, and pre-conditions with the Blundell Geothermal Plant. Rocky Mountain Power (RMP) has lived up to the settlement by adding 11 megawatts heat recovery unit to the 25 megawatt plant. However the preconditions to building the 2<sup>nd</sup> facility did not materialize. RMP has asked to extend some of the settlement conditions. The Committee Staff recommends the extension because ratepayers only stand to gain, and lose nothing.

Kelly Casaday motioned to support the recommendation and asked that Reed also prepare a negotiating position in case the Blundell Plant extension does not occur. Robert McMullin

seconded the motion and it passed unanimously.

8 Update: Climate Change

Paul reviewed the Western Regional Climate Action Initiative, Utah Renewable Portfolio Standard, Utah Greenhouse Gas inventory & Forecast. The Committee Members will have another climate change presentation at an upcoming meeting that will examine the consumer impacts of the specific policies being generated.

9 Rocky Mountain Power (RMP) Deferred Accounting Application

Michele Beck addressed RMP Grid West Loan, Transition Costs, and Powerdale Hydro Facility. Michele also discussed the Committee Staff recommendations on RMP deferred accounting application.

10 Proposed Area Code Split

Eric reviewed the background, proposals, and pros/cons of the area code split. The two proposals include a split or overlay.

The split would allow Salt Lake County residences to keep area code 801 and all other counties, who had 801, will be split into new area code.

The overlay would allow all existing customers to keep the 801 area code and new customers would receive the new area code.

The Committee Members recommend that the Commission pursue the overlay approach as the preferred method when implementing a new area code. This method in the Committees' opinion is the least disruptive to the public as a whole

Andrew Riggle made the motion that the Committee recommends that the Commission on the proposed area code support the overlay proposal. Also, that the Committee Staff voice a concern on two issues: (1) Address the Extended Area Service (EAS) and (2) how this will affect the low income with respect to long distance charges. Robert McMullin seconded the motion and it passed unanimously.

11 Other Business

Robert McMullin made a motion to adjourn the Committee Meeting at 1:00 p.m.